

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6542

BILL NUMBER: SB 375

NOTE PREPARED: Mar 13, 2014

BILL AMENDED: Mar 12, 2014

SUBJECT: Business Financing Arrangements.

FIRST AUTHOR: Sen. Holdman

FIRST SPONSOR: Rep. Heuer

BILL STATUS: Enrolled

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State

Summary of Legislation: The bill specifies that the following are not securities subject to IC 23: (1) A venture capital investment tax credit. (2) A certificate from the Indiana Economic Development Corporation (IEDC) indicating that a taxpayer has fulfilled the requirements of the corporation and is entitled to a venture capital investment tax credit.

The bill defines "accredited investor" for the purposes of the Uniform Securities Act. It adds exemptions to the Uniform Securities Act for certain transactions.

Effective Date: July 1, 2014.

Explanation of State Expenditures: *Securities Division, Secretary of State:* This bill could increase the administrative costs of the Securities Commissioner in the Secretary of State's office. The overall increase will ultimately depend upon the administrative actions taken by the Commissioner.

Explanation of State Revenues: *Exemption for Sale of Certain Securities:* The bill exempts sale of certain types of securities by an issuer from provisions under the Indiana Uniform Securities Act. It specifies the requirements for the transaction to qualify for the exemptions. It provides that the offer of sale of securities for transactions exempt under the bill has to be made exclusively through Internet web sites and sets up requirements related to the Internet web site. It provides for filing fees established by the Securities Commissioner to be paid by the issuer and Internet website operator. Collections of any fees under the bill would result in additional revenue for the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Securities Division, Secretary of State.

Local Agencies Affected:

Information Sources:

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